

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND**

CHOICE HOTELS INTERNATIONAL, INC.,

a Delaware corporation,
915 Meeting Street, Suite 600
North Bethesda, MD 20852

Plaintiff,

v.

RANI SAJNANI

48 Sherwood Hts.
Wappingers Falls, NY 12590

Defendant.

Case No.: _____

COMPLAINT FOR CONFESED JUDGMENT

Plaintiff Choice Hotels International, Inc. ("Choice"), by and through its attorney, Kristen K. Bugel, Esq., sues and confesses judgment against Defendant Rani Sajnani ("Defendant"), and as grounds for its action states as follows:

1. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §1332(a)(1), this being an action between citizens of different states and the amount in controversy being in excess of \$75,000.00, exclusive of interest and costs. The Court has jurisdiction over Defendant pursuant to 28 U.S.C. §1332(a)(1) and Ann. Code Md., C.J., §6-103(b)(1), Defendant having transacted business in Maryland with Choice. Venue is proper in the District of Maryland pursuant to 28 U.S.C. §1391(b).

2. Choice is incorporated in Delaware and has its principal place of business at 915 Meeting Street, Suite 600, North Bethesda, MD 20852.

3. On information and belief, Defendant is an individual who at all times relevant to these proceedings was, and currently is, a citizen of New York. Based upon information, knowledge, and belief, Defendant is neither employed in nor resides in Maryland or Delaware.

4. On or about September 30, 2021, Choice and Defendant entered into a Settlement and Release Agreement in connection with monies owed to Choice by Defendant pursuant to two franchise agreements between the parties (the "Settlement Agreement"). A copy of the Settlement Agreement is attached as Exhibit 1.

5. Defendant also executed a promissory note in the principal amount of \$179,100.00 as part of the Settlement Agreement (the "Promissory Note"). A copy of the Promissory Note is attached as Exhibit 2.

6. Pursuant to the terms of the Promissory Note, if Defendant executed two new franchise agreements (the "New Franchise Agreements") for the construction and operation of two new hotels on shared premises (the "New Hotels") by September 30, 2021, and thereafter constructed and opened the New Hotels to the public in accordance with the terms set forth in the New Franchise Agreements, then the Promissory Note would be marked "paid" and returned to Defendant.

7. Defendants executed the New Franchise Agreements, but failed to construct the New Hotels by the deadline set forth in the New Franchise Agreements in breach of the terms of the New Franchise Agreements.

8. On February 7, 2023, Choice sent Defendant formal notices of default, notifying Defendant that he was in default of the New Franchise Agreements for his failure to begin construction of the New Hotels, and that the New Franchise Agreements would be terminated if the default was not cured in 30 days.

9. Defendant failed to cure the default and Choice terminated the New Franchise Agreements on May 2, 2023.

10. Consequently, Defendant is in default of the Settlement Agreement and the Promissory Note.

11. In accordance with the terms of the Promissory Note, upon default of the Promissory Note, Defendant became liable for immediate payment of the principal amount of the Promissory Note, less any payments, plus interest at the rate of 10% per annum from the date of default until all amounts are paid in full.

12. The Promissory Note provides that, in the event interest or principal are not paid when due, authority is given to an attorney-at-law to appear on behalf of Defendant in any court and waive the issuance and service of process, and to further confess a judgment against Defendant in favor of Choice for such amount as may be unpaid, and to further release all errors and waive all rights of appeal.

13. There remains due and owing to Choice on the Promissory Note the principal unpaid balance of \$179,100.00, plus interest at the rate of 10% per annum from May 2, 2023, through November 30, 2023, in the amount of \$10,547.00, plus additional interest at the rate of 10% per annum from December 1, 2023, until paid.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court:

A. GRANT Plaintiff's Complaint for Confessed Judgment against Defendant Rani Sajnani.

B. Enter a JUDGMENT BY CONFESSION against Defendant in the amount of One Hundred Eighty-Nine Thousand Six Hundred Forty-Seven Dollars (\$189,647.00), comprising outstanding principal in the amount of \$179,100.00, and interest accrued through November 30,

2023, in the amount of \$10,547.00,

C. GRANT Plaintiff an award as and for continuing interest at the rate of 10% per annum from December 1, 2023, until all amounts are paid,

D. GRANT Plaintiff court costs in the amount of Four Hundred Dollars (\$400.00), and

E. GRANT Plaintiff such other and further relief as may be just and proper.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'KKBugel', is positioned above a horizontal line.

Kristen K. Bugel, Esq.
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Attorney for Plaintiff
Choice Hotels International, Inc.